

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Handlooms and Textiles Department – Entrusting the Task of preparation of Detailed Project Report (DPR) for establishment of Siricilla Textile Cluster to M/s. Infrastructure Leasing and Financial Services Ltd.,(IL&FS), New Delhi and payment of Rs.12,00,000/- towards fees- Orders - Issued.

INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Rt.No. 57

Dated 31 -1-2009.

Read the following:-

1. From Managing Director & Chief Executive Officer, Infrastructure Leasing and Financial Services Ltd.,(IL&FS), New Delhi, letter Ref.No. I.L.&FS CDI/2008-09/AP, dated 7-11-2008.
2. From the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad, Lr.Rc.No.13790/08-P, dated 25-11-2008 and 29-12-2008.

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O R D E R:-

In the reference 1st read above, the Managing Director and Chief Executive Officer, Infrastructure Leasing and Financial Services Ltd., (IL&FS), New Delhi has submitted their formal technical and financial proposal for undertaking Integrated Development of Siricilla Textile Cluster which is based on the visit of team of multi disciplinary specialists to Siricilla. The report comprising the existing status of Powerloom Industry in Siricilla and informed that strategic recommendations can be suggested only after conducting indepth study and after preparation of Detailed project Report which costs a sum of Rs.15.00 lakhs.

2. In the reference 2nd read above, the Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has stated that there is an urgent need to overcome the crisis of the Powerloom Industry and to prevent suicidal deaths by powerloom weavers in Siricilla on permanent basis. The incidence of the crisis is recurring for every (3) years and the adhoc measure being taken are not resolving the issue permanently. The Infrastructure Leasing and Financial Services Ltd. (IL&FS) in its 'Status assessment report, dated 7.11.2008 have given some important reasons for the frequent crisis of Powerloom Industry in Siricilla and informed that the only solution for preventing that crisis is to establish a 'Textile Cluster' at Siricilla for comprehensive and integrated development of Powerloom Industry and Weavers of Siricilla, which comprise the following components:-

- 1.Technology Upgradation
- 2 Product diversification and Market access
- 3 Skill Development
- 4 Strengthening the value chain
- 5 Policy advisory, Leveraging funds, Social Capital Creation
- 6 Strengthening Institutional Linkages
- 7 Social Security.

(PTO)

3. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has also stated that to resolve the problems of Powerloom Industry and Weavers in Siricilla, the Infrastructure Leasing and Financial Services Ltd. (IL&FS) be asked to conduct an in depth study and submit a Detailed Project Report with strategic recommendations for the comprehensive and integrated Development of Powerloom Industry in Siricilla for establishing a "Textile Cluster" at Siricilla by negotiating the fee for preparation of Detailed Project Report, which is quoted as Rs.15.00 lakhs, as it is felt costly and on high side.

4. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has also stated that since the present status of the Siricilla Powerloom Cluster is reminiscent with outdated technology, poor quality of fabrics, lack of modern dyeing facilities, lack of value addition, poor awareness about the technological advances, poor work practices and housekeeping affecting the productivity and thereby wages, limited access to credit for modernization etc., there is an urgent need to rope in the services of Infrastructure Leasing and Financial Services Ltd.,(IL&FS) who are instrumental in setting up of Nethaji Apparel Park in Tirupur, Tamilnadu in record time and project monitor authority for various Apparel and Textile Parks being setup in the country. They have professionals in the field of engineering, finance, project monitoring and evaluation. In addition, on his recent visit to Siricilla, the labour unions have represented that 70% of the polyester looms have been shut down because of economic recession and unless position steps are taken, things would go from bad to worse and lead to more number of suicides.

5. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has requested the Government to accord permission to entrust to the IL&FS the job of preparation of detailed project report on Siricilla Powerloom Cluster, duly negotiating the fees to be met from the corpus fund released to the District Collector, Karimnagar.

6. After careful examination, Government have decided to entrust the task of preparation of Detailed Project Report (DPR) for establishment of Siricilla Textile Cluster to M/s. Infrastructure Leasing and Financial Services Ltd.,(IL&FS), New Delhi and to pay an amount of Rs.12.00 lakhs (Rupees twelve lakhs only) towards fees for preparation of Detailed Project Report (DPR). Government have also decided to pay the retainer fees / success fees at 5% towards cost of each component of the approved Detailed Project Report.

7. Accordingly, Government hereby entrust the task of preparation of Detailed Project Report (DPR) for establishment of Siricilla Textile Cluster to M/s. Infrastructure Leasing and Financial Services Ltd.,(IL&FS), New Delhi. Government also hereby order to pay an amount of Rs.12.00 lakhs (Rupees twelve lakhs only) to M/s Infrastructure Leasing and Financial Services Ltd. (IL&FS), New Delhi towards fee for preparation of Detailed Project Report. Government also hereby order for payment of retainer fee / success fee at 5% towards cost of each component of the approved Detailed Project Report (DPR).

8. The expenditure of Rs.12.00 lakhs towards fees shall be met from out of the funds sanctioned as Corpus Fund to Siricilla, vide orders issued in G.O.Rt.No.754, Industries and Commerce (Tex) Department, dated 10-10-2008.

(Contd. 3rd page)

9. The Managing Director, Infrastructure Leasing and Financial Services Ltd. (IL&FS), New Delhi is requested to submit the detailed Project Report with strategic recommendations to the Government.

10. The Director of Handlooms and Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad is requested to take action in the matter accordingly.

11. This order issues with the concurrence of Finance (Exp.I&C) Department vide their U.O.NO.19/07/Exp. I&C/2009, dated 19-1-2009.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA RPADSH)

Y.SRILAKSHMI,
SECRETARY TO GOVERNMENT.

To

The Director of Handlooms and Textiles and Development
Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad.

The Managing Director & Chief Executive Officer,
M/s.Infrastructure Leasing and Financial Services
Ltd.,(IL&FS), Cluster Development Initiative Ltd.,
2nd floor, Niryat Bhavan, Rao, Tula Ram Marg,
Opp. Army Hospital, Research & Referral, New Delhi – 110 057.

The District Collector, Karimnagar.

The Accountant General, Andhra Pradesh, Hyderabad.

The Pay and Accounts Officer, Hyderabad.

The Director of Treasuries and Accounts Department.

Copy to Finance (Exp.I&C) Department

Copy to P.S to Minister for Handlooms and Textiles.

Copy to P.S to Secretary to Government,

Industries and Commerce Department.

Copy to SF/SCs.

// FORWARDED BY: ORDER//

SECTION OFFICER.